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AUGUST 16, 1965

HOW THE EEC's NETWORK
OF RELATIONS IS BUILDING UP

WORLD FARM TRADE GAINS
FROM PORT DEVELOPMENT

NEW GERMAN LAW
ON IMPORTED POULTRY

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FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

A WEEKLY MAGAZINE OF THE UNITED STATES DEPARTMENT OF AGRICULTURE
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AUGUST 16, 1965

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Workman climbs cables leading to the crane of a new floating dock at Port Etienne, Mauritania. See article and other pictures on port development, page 8

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How the EEC's Network of Relations Is Building Up

Twenty-two nations have signed treaties with the Common Market and are now trading with it on special terms; others have applications pending.

Although membership in the European Economic Community still belongs exclusively to the six countries—Belgium, France, West Germany, Italy, Luxembourg, and the Netherlands—who signed the Treaty of Rome in 1957, a network of relations is gradually linking other countries to the Community.

These relations take various forms. Most of them are associate memberships. Others are no more than trade agreements. Yet even among the associate members there is considerable variety in the type of affiliation set up and the benefits to be gained from it.

The Greek and Turkish treaties

So far, Greece and Turkey are the only countries whose association agreement not only provides for a customs union but looks ahead to eventual full membership in the Community.

According to the treaty with Greece that went into effect in November 1962, this country, after a transition period of 22 years or less, is expected to become a full member of the Community if its economy permits it to assume all the obligations of the Treaty of Rome. In the meantime, the country enjoys the same reductions in tariff as apply to trade among the original Six. Also, for five Greek farm products—tobacco, raisins, olives, turpentine essence, and a resin for synthetics—Greece receives extra protection for its sales to the Community.

The treaty with Turkey went into effect in December 1964. Although Turkey will also be considered for full membership in the Community when its economy permits, the steps toward custom union and eventual full membership differed from those adopted for Greece.

First, there will be a 5-year preparatory stage, with a possible extension to 9 years, during which Turkey will strengthen its economy with Community aid. Then, before moving into the transitional period, Turkey and the EEC will sign another agreement. During this transitional stage, which may not exceed 12 years, equal tariff treatment will be introduced. In the final stage, the customs union will be completed and the economies of Turkey and the EEC members coordinated.

For the time being, the agreement with Turkey is little more than a commercial and financial arrangement. It does, however, give Turkey special treatment for a group of its agricultural exports—tobacco, raisins, dry figs, and nuts, which constitute 37 percent of the country's farm shipments to the Community. Preferential quotas for these products were set up, with the option of increasing them after the second year.

Both countries, Greece and Turkey, by their agreements with the EEC are receiving financial aid for economic development through the European Investment Bank. Greece's loan amounts to $125 million, Turkey's to $175 million. Interest charges and repayments are particularly favorable to the recipient countries.

African associates

Somewhat different is the association set up with the 18 newly independent African nations: Burundi, Cameroon, Central African Republic, Chad, Congo (Brazzaville), Congo (Leopoldville), Dahomey, Ivory Coast, Gabon, Madagascar, Mali, Mauritania, Niger, Rwanda, Senegal, Somalia, Togo, and Upper Volta.

At the time of the Rome Treaty all of these countries were colonies, or territories of EEC member countries, and as such, they automatically became associate members of the Community. (Only European countries are permitted to become full members.) This gave them the same tariff benefits that the Six enjoy. They also received direct grants totaling $581.25 million for economic and agricultural development.

By the early 1960's these countries had become independent nations, and a new association agreement was signed, in 1964, to extend for 5 years. The amount of aid was boosted to $730 million, still mostly in grants, and to the tariff benefits was added a list of unprocessed agricultural products with nil tariff. These include pineapples, coconuts, coffee, tea, pepper, cloves, nutmeg, and cocoa beans.

Still another group of associate members exists—the remaining overseas territories of EEC members, such as the French Somali Coast, French Polynesia, and Surinam. The EEC Council decision governing these associates became effective in 1964, to last for 5 years. They are getting financial help too—$70 million—and can sell their products to the Community on intra-EEC tariff terms.

Trade agreements

Three countries have signed trade agreements with the EEC. The first of these, with Iran, became effective June 1963. It provides for a reduction in tariffs for specific products, i.e., caviar, dried apricots, raisins, and carpets. Effective for 3 years, it can be renewed for 1 year.

The treaty with Israel also covers a 3-year period and is renewable for 1 year. Through this treaty, Israel gets a tariff reduction of 40-10 percent on 21 of its products, including grapefruit and grapefruit products and avocados. With regard to oranges, the treaty specifies that Israel will be consulted should the Community wish to sign an agreement with any other country where foreign shipments include oranges.

Lebanon's trade treaty was just signed in May of this year and will not enter into force until ratified by each of the Six and Lebanon. No specific products are mentioned in the treaty; instead, Lebanon will get most-favored-nation treatment. The protocol on oranges is similar to Israel's. Also, technical training both in Europe and Lebanon is

provided; some of this is agricultural.

Applications for membership

Although negotiations for Great Britain's full membership in the Community were suspended in January 1963, that country has not withdrawn its application. Nor have Ireland, Denmark, and Norway withdrawn their applications for membership. In the case of Ireland, no meetings had been held before the British negotiations ended; Denmark and Norway had already started discussions but dropped them after the ending of the British talks.

Countries applying for association

Austria, Sweden, and Switzerland all applied for associate membership in December 1961, hoping that negotiations for their association would lead to solutions that would come into force simultaneously for all EFTA countries. Only Austria continued to show interest in association, and negotiations are now in progress.

Portugal and Spain, in 1962, also requested the opening of negotiations to establish the terms of cooperation with the Community. For Portugal, a preliminary meeting had been called, which was canceled after Great Britain's withdrawal. The Commission has started conversations with Spain; whether they will lead to association is uncertain.

Cyprus applied for association in 1962, and the EEC Council agreed to negotiate, but no meetings had been called before the British suspension, and since then the matter has been allowed to drop.

Kenya, Uganda, and Tanganyika, all newly independent African countries, submitted a joint request for negotiating an association agreement with mutual rights and obligations, particularly in matters of trade. Exploratory talks were held early last year, but the negotiations, which were to occur in June, have been postponed.

Negotiations with Nigeria started in July 1964 and now are in their final phase.

Other economic relations

Tunisia, Morocco, and Algeria, which were either French territories or part of France at the time of the Rome Treaty but are now independent countries, requested conversations on future economic relations. Just what type of association will be agreed upon is, of course, uncertain, but it could fall halfway between that of the 18 African countries and the Greek type of treaty. In the meantime, Algeria continues to benefit from the intra-Community tariffs that it had when it was part of France.

Good Will Marks Meeting of U.S.-Canadian Apple Growers

Eleven Canadians and fourteen Americans sat down around a big, green-covered table on July 23 in a hotel near Toronto's International Airport. Most of them were apple growers or their representatives from both sides of the border. A half-dozen government officials from Washington and Ottawa attended upon invitation.

It was unlike most international meetings in more than one respect. The nationals of one country didn't line up on one side of the table and "foreigners" on the other; instead, Americans and Canadians sat down, as individuals or pairs, wherever there were vacant places. There were no harsh words spoken, little probing for vulnerable points.

It wasn't always this way. The first meeting of what is now called the U.S.-Canada Apple Committee was convened early in World War II at Canada's suggestion. Canada was faced with an embargo on all apple shipments by water, and American shipments also were likely to be affected. Both sides agreed that under the circumstances it would be wise to avoid an apple-dumping contest in the North American market.

Once a bit stormy

In the early years, the representatives often found themselves at arms' length. They had differences over marketing, grades, quality, container sizes—among many issues—and too often one side found it difficult to understand the viewpoint of the other. This is not to say that all problems have been eliminated today. Differences still arise from time to time, but the informal annual meetings have helped the growers to understand regional and national problems in both countries, and quick and painless solutions are found more often than not by industry spokesmen working quietly with government agencies.

This year, as usual, the government men furnished crop and trade statistics and forecasts. They answered questions about regulations and enforcement, and listened respectfully to recommendations for change. But it was the growers' own meeting. The co-chairmen of several years' standing—J. B. Lander, general sales manager of B. C. Tree Fruits Limited, and Truman Nold, former secretary of the National Apple Institute who now manages an apple cooperative at Winchester, Va.—presided informally again.

All areas represented

Industry groups in both countries make it a habit of introducing several new faces around the table each year. Last month, the U.S. representatives flew in from New York and Michigan and from the South and Pacific Northwest. From north of the border came spokesmen for growers in British Columbia, Nova Scotia, Quebec, and Ontario.

They exchanged crop and export information and forecasts. They discussed ocean freight rates, European trade barriers, international conferences, U.S.-Canadian trade problems, chemical treatments, storage regulations, controls on bulk shipments.

In a few hours it was all over. But each of those in attendance carried home with him a new or renewed respect for international cooperation. He had helped to make it work.

—JOHN C. MCDONALD
Acting Agricultural Attaché, Ottawa

Editor's Note: *The precise origin of these Canadian-U.S. apple meetings is obscure, but from 1946 until 1964, they were held in conjunction with the annual summer meeting of the International Apple Association. Beginning in 1964 the annual IAA meeting was shifted to late fall; hence, the Canadian-U.S. industry meeting is now held independently. Mutual problems which may arise between meetings are handled by an Interim Problems Committee of eight members, four from each side of the border.*

New Zealand—a Big Import Market for Various Products

By DONALD J. NOVOTNY
U.S. Agricultural Attaché
Wellington

Though known throughout the world for its efficient animal industry and large exports of meat, wool, and dairy products ($934 million in 1964), New Zealand is also a sizable importer of agricultural products. The total annual value is roughly $80 million, of which about one-half consists of tropical products.

New Zealand has, since its early development, been primarily an agricultural country, but by far the most efficient and profitable use of nearly all of its land resources has been in pasture production. Many field and garden crops grow extremely well, but the mild year-round temperatures and the steady and abundant rainfall are even more ideally suited to the lush growth of pastures for cattle and sheep. If balance-of-payments conditions would permit, this pasture specialization would perhaps be even greater.

Under these circumstances, with the exception of highly perishable garden crops, few other types of farm enterprises have become widely profitable, although wheat and tobacco production have reached sizable proportions with the help of price supports and tariff protection. Meanwhile, however, with general living standards in New Zealand among the highest in the world, dietary standards demand an abundance and wide array of high quality foodstuffs.

Thus it is, that in spite of its renowned farm abundance and its relatively small population of only 2.6 million, New Zealand finds it economically advantageous to import a considerable volume of agricultural products.

Cereals and fruits top imports

The total value of imports of Temperate Zone agricultural products is generally about $40 million annually. Two-thirds of this are cereals and fruits, with tobacco,

Dairying is an important industry in New Zealand. Above, tankers deliver milk to modern dairy plant; and below, a packing machine molds butter into 56-pound pats.

Below, Merino hoggets, the only sheep suitable for the altitudes of the Ohau and Sealy Mountain ranges, are driven along the Tasman River Flats in the Glentanner sheep station.

hog casings, peanuts, and vegetable oils and fats making up most of the remainder.

Local wheat producers supply about two-thirds of New Zealand's milling requirements. Imports are now 6-7 million bushels annually, although about half of this is used for mixed-feed manufacture—particularly poultry feed. Requirements are increasing steadily for both milling and feed use, but especially for feed.

Meanwhile, even with guaranteed prices to farmers ranging from $1.98 to $2.40 per bushel, acreage is tending to decline slightly. Livestock prices, which affect the alternative use of wheat lands, are currently highly attractive. Lamb prices at 17 cents per pound (live-weight basis for 50-60-pound live-weight lambs) and fat-steer prices at $12 to $13 per 100 pounds live weight are both at near-record levels for New Zealand, and prospects appear good. It is therefore quite possible that, unless wheat prices are raised even higher, wheat imports may need to be increased gradually in the years ahead.

In the case of tobacco, the guaranteed average price for the crop is now 65 cents per pound. Local production satisfies just over 50 percent of annual requirements, and the industry is generally agreed that the local-leaf content of tobacco manufactures cannot be increased without sacrificing quality. Production of local leaf, which is governed by manufacturers' contracts with local growers, seems likely to stabilize at present levels. On the other hand, tobacco consumption has continued trending upward. Thus, imports, which in recent years have fallen owing to increased local production, should stabilize or perhaps increase gradually.

Most fruit imports are relatively noncompetitive with local production. There is a small amount of citrus production, but this is rather heavily subsidized through a system of overall price and import control. The per capita consumption of dried fruit in New Zealand is one of the highest in the world.

Australia is by far the largest supplier of New Zealand's imports of temperate agricultural products. It has been the sole supplier of wheat, and has supplied most of New Zealand's fruit imports.

U. S. ships mostly tobacco

Imports of farm products from the United States have averaged about $6 million annually in total value. About 50 to 75 percent of this has been high-quality flue-cured tobacco, and most of the balance has been fruits, hog casings, and rice. New Zealand's $2,890,000 purchase of U.S. tobacco in 1963-64 was a slight drop from the previous year's figure of $3,970,700, but there were sizable increases in imports of other U.S. products. Rice purchases increased by $42,200; fats and oils, $33,000; dried fruit, $242,800; other fruits and vegetables, $444,000.

Future agricultural exports to New Zealand seem likely to increase. Dried fruit imports were freed of licensing control on July 1, 1965, and this should allow U.S. fruit to obtain a larger share of the market. Tobacco imports should remain stable or increase slightly. Peanut imports from the United States, begun only in recent months, may become a regular item of trade, and importers are now considering making initial purchases of U.S. walnuts as a result of a recent visit by a U.S. market development team.

Other possible new trade items include wheat, grain sorghum, and pre-cooked frozen poultry.

Brazil's Coffee Tree Eradication Program As of Today

By SHACKFORD PITCHER
Assistant U.S. Agricultural Attaché
Rio de Janeiro

A total of 686 million coffee trees were eradicated during the first 2½ years of the Brazilian Government's program for limiting coffee production. This program—called GERCA (for Grupo Executivo de Racionalização de Cafeicultura, the government entity charged with carrying it out)—was launched in June 1962 by the Brazilian Coffee Institute (IBC), the government agency that controls the marketing of the Brazilian coffee crop and supports prices to coffee producers.

Normally the Brazilian coffee crop is larger than exports and domestic consumption combined, and thus some of the coffee crop bought by IBC goes into the warehouses it owns and operates both in coffee-producing districts and in several of the important coffee ports.

GERCA's original goal was the eradication of 2 billion coffee trees over a 2-year period. According to IBC estimates, there were 4 billion coffee trees in Brazil when the program began. As coffee producers were permitted to replant coffee on some of the land from which trees were eradicated, this goal did not necessarily imply a 50-percent reduction in the number of coffee trees. Furthermore, there are no other restrictions on coffee planting; producers not participating in GERCA can continue to plant as many trees as they wish.

The program envisages the limiting of production chiefly through removing coffee trees. Participation is voluntary. Government subsidies and financing are made available for three main categories of activity: The eradication of coffee trees; the planting of other crops on land released from coffee production; and projects to enable the diversification of agriculture in coffee-producing areas.

During 1962, practically all the financing went towards encouraging producers to eradicate trees. During 1964, however, 24 percent of the financing went to projects for regional agricultural diversification. The total value of financing during the 2½ years amounts to the equivalent of about US$20 million.

Assistance for regional agricultural diversification includes the financing of rural electrification projects and the establishment of facilities for processing agricultural products. GERCA funds will be used to help finance a sugarmill-building program in coffee-producing States, in cooperation with another government agency, the Sugar and Alcohol Institute. At the present time, plans have been tentatively approved for financing 25 new sugarmills in coffee-producing regions of Paraná, São Paulo, and Minas Gerais. GERCA has also made agreements with the governments of coffee-producing States to help finance re-

search and to purchase and distribute improved seeds and planting material.

A total of 1.9 million acres has been cleared of coffee trees under GERCA; and of the 1.7 million acres put back into crop production, coffee has been replanted on less than 1 percent. Nearly 40 percent has gone into pastures; nearly 20 percent, into corn; 8 percent, into rice; and nearly 6 percent, into cotton. Crops such as beans, sugarcane, manioc, and peanuts have each accounted for an average of 3 percent of this land.

At the present time, it appears that the GERCA program has had little effect on coffee production in Brazil. The 1963-64 crop, the first after the program was started, totaled 26 million bags, only a million below the previous year's. The 1964-65 crop fell to 9 million bags because of frost and a drought in major producing areas. The current crop, however, is estimated by the U.S. Department of Agriculture at 32 million bags—13 percent above the 1955-56/1959-60 average of 28.3 million. An estimated 24 million bags will be exported and consumed domestically during the 1965-66 coffee marketing year. Thus, there will probably be a net increase of at least 8 million bags in IBC stocks during the next 12 months.

The GERCA program to remove trees slowed down considerably during 1964, when only 98 million were eradicated. Generally favorable world coffee prices have made coffee growers less inclined to take out additional trees—particularly since the loan payment offered for eradication under the program has not been increased since its beginning. Furthermore, the payment of 15 cruzeiros for each tree eradicated, the equivalent of over 4 cents in June 1962, today is equivalent to less than a penny.

However, some coffee producers have taken out coffee trees without applying for assistance under GERCA. Thus, the number of trees eradicated since June 1962 has probably totaled at least 1 billion, owing partly to the removal of older, unprofitable plantings and also to the effects of the heavy frost and severe drought in 1963. The number of coffee trees in Brazil is currently estimated at 3.6 billion, or 10 percent less than when the program started.

Right, abundant coffee crop in northern Paraná, a principal producing State. This area is served by Brazil's well-known "Coffee Road," which links the coffee producers with the port of Paranaguá, 250 miles off.

Below, examining frost-damaged trees about to be eradicated; below right, chain-equipped tractor and the trees it has just pulled out.

World Farm Trade Gains From Millions Invested in Ports

Underdeveloped nations, whose exports are largely agricultural, are expanding their trade as financial aid helps them to enlarge and modernize their ports.

In the last 15 years vast sums of money have been loaned to the underdeveloped nations of the world to build more of the railroads, highways, and bridges that they need in order to get their products to market. Equally as important is the money that has gone into constructing and enlarging ports so that the commodities these countries have to sell can enter world trade and the things they require for economic progress can more readily be brought to them.

The World Bank, along with its affiliate, the International Development Association (IDA), has been a leader in developing ports around the world. Since 1948 loans amounting to some $350 million have been made by the Bank. The Inter-American Development Bank has also been active, with loans of over $18 million for ports in Latin America.

In a few instances, this financing has helped create ports where none existed before—Ashdod in Israel and Guayaquil in Ecuador, for example. For the most part, the money was spent to build wharves and warehouses, erect modern cargo-handling equipment, and deepen anchorages for ocean-going ships.

Agricultural trade has benefited from this port activity since the countries that have been aided obtain most of their foreign earnings from the agricultural products they ship abroad.

Above, a World Bank loan of $27.5 million helped Israel build a totally new deep-water port at Ashdod on the Mediterranean. From here Israel will ship much of its citrus fruit abroad.

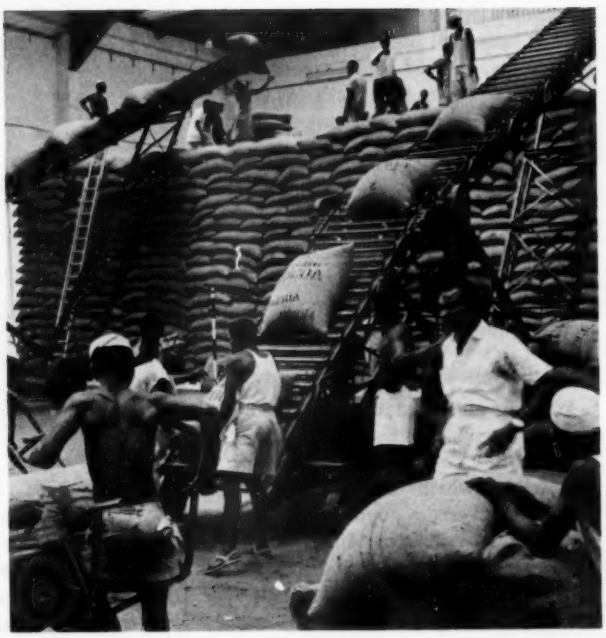
Right top, view of Ecuador's new port at Guayaquil, where ships can be accommodated at dockside. Before port was built, bananas, as shown below, had to be loaded onto lighters.

Photos, Courtesy of World Bank.

Above, two World Bank loans totaling about $50 million have enlarged the Port of Calcutta relieving congestion and maintaining deep-water access for ships. Big U.S. wheat shipments enter India here.

Below, freighter moves through Suez Canal which has been deepened and widened; also, cargo vessels now reach East Pakistan's inland river ports.

Above, mechanical cargo equipment is used to load sisal at Kenya's expanded Port of Mombasa. Right, storing cocoa in new warehouses at Lagos, in Nigeria, where port has been enlarged to handle much greater traffic than previously.



U.S. Poultry Industry Alerted to Requirements Of New German Law on Imported-Poultry Sales

Of major interest to the U.S. poultry industry is a new West German law regulating the processing, marketing, and identification of all poultry offered for sale in West Germany—No. 2 export market for U.S. poultry. Passed by the German Bundestag July 16, the new regulation will go into effect January 1, 1966.

Particularly affected will be future exports of West Germany's major suppliers: the United States, with 1964 exports of 42,088 tons; the Netherlands, with 64,907; Denmark with 27,558; and all other suppliers, headed by France, with a total of 50,227 tons.

Grades A, B, and C like ours

Covering both imported and domestic poultry, the regulations include specifications on grades A, B, and C which are very similar to those in the United States. The standards apply to whole chickens, ducks, geese, and turkeys, as well as halves, breasts, whole legs, thighs, and drumsticks.

With commercial poultry production zooming in Germany, it had long been expected that legislation would be enacted to organize the entire field of poultry production.

It is estimated that German broiler production in 1965 will be considerably higher than last year's 41,000-ton output, which with imports will bring total poultry consumption for the year to a record level of around 364,000 tons.

The new law is also intended to help prepare German production for anticipated EEC poultry regulations and pave the way for promotion of German quality poultry.

Translation circulated

With 5 months remaining before the new regulations become effective, the Institute of American Poultry Industries (which cooperates with FAS in market development through the poultry industry's International Trade Development Board) has circulated throughout the U.S. poultry industry a translation of the law and the implications for U.S. exporters.

According to IAPI, German grades A and B correspond to the specifications laid down in the Poultry Grading Manual issued by the U.S. Department of Agriculture. Grade C, however, may include all poultry which cannot be classified in either of the other two grades. Included under this regulation are all types of chicken except for Rock-Cornish hens, ducks, geese, and turkeys. Poultry parts are covered as halves, breasts (and parts), whole legs, thighs, and drumsticks, except for quarters, backs and necks, tails, giblets, and wings.

After January 1, only graded slaughtered poultry and poultry parts may be marketed via commercial channels, except for poultry which goes directly from the producer to the consumer.

New German markings

All commercially marketed poultry must be clearly marked in German as to grade, type, state of preservation, and the name (or company) and address of the producer, the importer, or distributor. Product name and identification in English may also appear.

Packaged merchandise must be marked on each individual wrapping and on master containers. IAPI notes there are no requirements for the size, or type, of print to be used. Plain poly bags, or plain cartons, are no longer acceptable.

If the exporter cannot remove or obliterate the original identification on poultry already packaged, a new identification must include the information that the first identification is invalid.

Types of poultry are broken down into distinct classifications for identification purposes. "State of preservation" includes fresh, deep-frozen, frozen, and thawed. Strict interpretation of the term "deep-frozen" (applicable to U.S. poultry) would mean that ships with refrigeration temperature of plus 15° F could no longer be used.

The method of processing is defined as New-York dressed, eviscerated, oven or kitchen ready, ready to grill, or ready for the spit. The first three definitions correspond to U.S. trade usage, the other two differ somewhat.

First Home Economics Exhibit in U.K. Features U.S. Rice

The U.S. rice demonstration at the first Home Economics Exhibition and Conference held recently in London attracted these students as well as wide attention from the 5,200 delegates: educational and industrial home economists from Great Britain, Ireland, the Channel Islands, and several Commonwealth nations. The rice exhibit was part of the Rice Council's promotion program in the U.K.

A brief report on Market Developments in Three European Countries

In varying stages of transition as dollar markets for U.S. agricultural products are three European countries—Greece, Yugoslavia, and Poland. Reports on the current status of the market in these countries—excerpts of which follow here—were given at a recent meeting of U.S. Agricultural Attachés at Dublin, Ireland.

Greek market potential

During the past 3 years, Greece has imported soybean oil for blending with olive oil. This program represents the successful efforts of market development activities in which the blending of soybean oil with olive oil opened a market in Greece for a new product.

Depending on the size of the Greek olive oil crop, it is estimated that about 30 thousand tons of soybean oil might be required annually.

Recently there has been some discussion as to the advisability of constructing a new soybean processing plant which would permit the importation of soybeans. With the growing poultry and livestock industry, larger quantities of soybean meal will be required together with the continuing requirement for soybean oil. One way or the other, there will be a continuing market for soybean oil and soybean meal.

Imports of U.S. poultry double

In 1964, Greece imported over 13 million pounds of poultry, of which more than 50 percent came from the United States. Actually, poultry exports to Greece in 1964 were more than double the amount in 1963, excluding backs and necks. This is considered remarkable in view of the fact that the domestic poultry industry has been expanding at a high rate.

Although there has not been an active promotion program for U.S. poultry in Greece, we have been able to capture a sizable share of the market by consistently supplying a quality product. Our prices have been reasonably competitive until recently.

More competition in Yugoslavia

There are indications that competition for the Yugoslav market is increasing. During the past few months, the French Embassy held a Jean Dessin fashion show with 20 models from Paris; the Italian, West German, USSR, and Indian Embassies have displayed cotton, silk, and wool products for sale.

Fifty-eight countries participated in the Zagreb International Trade Fair and eighteen countries in the Novi Sad Agricultural Fair. Ten Yugoslav export-import firms held a textile fair in Belgrade featuring wool, cotton, and leather products with style shows. During the past few weeks, fashion shows have been held in all of the major cities.

Yugoslavia is becoming a cash market and competition for this market is increasing. The economists are generally optimistic about Yugoslavia's ability to continue its economic expansion and its ability to buy on a cash basis. Purchasing and marketing channels (about $1.3 billion from the United States since 1952) have been established. Therefore, it is in the interest of the United States to strengthen these ties to maintain access.

It is now time for U.S. firms and trade groups to consider market promotion activities in order to maintain our share of the market. Immediate results could be obtained by starting some small promotion projects, especially for hides and skins, tallow, and citrus fruits and products.

Poland's credit a factor

U.S. opportunities for marketing farm products in Poland in the foreseeable future are going to depend primarily on the availability of credits and Polish ability to repay. Poland's increased debt repayment obligations stem partly from the required conversion of the unused portion of the $538 million worth of Title I zlotys accumulated by the United States. This conversion began this year.

In addition, the Poles are repaying Export-Import Bank credits of $101 million, settling $40 million of nationalized property claims, paying for purchases of $35.5 million worth of U.S. Army surplus supplies, and repaying the Commodity Credit Corporation export credits.

Polish imports of agricultural products in 1964 included the following metric tonnages (with imports from the United States in parentheses): wheat—2,211,000 (625,000); barley—287,000 (49,000); cotton—152,000 (30,000); inedible fats and oils—178,306 (112,650); and tobacco—15,849 (1,310). We expect most of these totals to be equaled or exceeded in 1965, but in general the amounts supplied by the United States probably will be lower.

Looking further ahead we believe there will be fairly good opportunities for the United States to sell Poland cotton, vegetable oils, tallow, tobacco, and grains (despite government plans to phase out grain imports by 1970).

Canada To Exhibit Holsteins Throughout France This Fall

The Canada Department of Agriculture has announced plans to purchase 20 or 30 top Holstein dairy cattle for exhibition in France from September thru November. After a 2-week quarantine at Le Touquet, the dairy cattle are to be shown at rural fairs and other country events in eight districts of France.

Canadian Agriculture Minister Harry Hays said the objective of the tour is to show the French farmer the superior qualities of Holsteins as milkers, hoping that it will lead to subsequent purchases from Canadian breeders. Several months ago the French Government lifted its ban on imports of Canadian Holsteins.

Earlier, Canada had announced plans for establishment of a maximum security quarantine station on Grosse Ile, Quebec, under which the Charolais breed could be imported from France. The first shipment of 124 head of French Charolais are expected to arrive at Grosse Ile early in November.

CDA regards the fall tour of Holsteins in France as a pilot project. If successful, it could be repeated in other countries to spark livestock exports. Potential markets were said to exist in West Germany, Spain, Japan, and in South America.

Canada exported some 5,400 purebred Holsteins last year to 15 countries (excluding the United States) with over one-fourth going to Cuba.

Canada and Argentina Sell More Wheat to the USSR

The Canadian Government announced on August 11 the sale of 4.7 million metric tons of wheat and 300,000 tons of flour to the Soviet Union for shipment through July 1966.

This was the second sale Canada had made to the Soviet Union in a week; the first was for 700,000 tons of wheat and 20,000 tons of flour.

In the week also, Argentina announced that the Soviets had purchased 1.2 million tons of wheat from that country. In July, France sold the Soviets 300,000 tons.

These purchases coupled with 1.2 million tons bought earlier from Argentina and Australia and not yet delivered add up to about 9.0 million tons for delivery this crop year. This compares with record Soviet purchases of 12 million tons in 1963-64 and 3 million tons in 1964-65.

These purchases are for use in Eastern Europe and Cuba as well as in the Soviet Union, but how much will go to these other countries is not known; it could amount to 2-3 million tons out of the 9.0 million.

U.S. Imports Less Tung Oil

Imports of tung oil into the United States during the November-June period of 1964-65 totaled 19.0 million pounds compared with 18.1 million in the corresponding period of 1963-64.

Imports from Argentina gained sharply, accounting for about three-fourths of the total. Those from Paraguay, however, declined substantially.

Prices currently are at a level significantly above those of a year ago, reflecting prospects of a substantial reduction in the U.S. domestic outturn in 1965-66 despite sizable stocks. This anticipated decline reflects severe freeze damage in March to the 1965 U.S. nut crop.

In both Argentina and Paraguay the 1965-66 oil outturn is also expected to be significantly below that of 1964-65, because of freeze damage in September 1964.

U.S. IMPORTS OF TUNG OIL

Country	November-October			November-June	
	1961-62	1962-63	1963-64	1963-64	1964-65
	Mil. lb.	*Mil. lb.*	*Mil. lb.*	*Mil. lb.*	*Mil. lb.*
Argentina	16.4	13.4	16.8	9.4	13.9
Brazil	.7	1.6	1.3	.7	.1
Paraguay	---	5.1	11.0	7.8	3.8
Malawi	---	.1	.4	.2	.3
Others	---	.1	---	---	.9
Total	17.1	20.3	29.5	18.1	19.0

U.S. Bureau of the Census.

U.S. Olive Oil Imports Decline

U.S. imports of olive oil during the first half of 1965, at 12,686 short tons, declined by 31 percent from the 18,330 tons imported in the comparable 1964 period.

This rather substantial decline is due to reduced export availabilities of olive oil from the 1964-65 outturn in the Mediterranean Basin, as well as to some influence from prices higher than those in 1964.

Spain, the traditional major source of U.S. imports, accounted for 73 percent of U.S. imports in the first half of 1964 but for only 38 percent of the total this year. The decline was partly offset by increased takings from Tunisia and Turkey.

U.S. IMPORTS OF OLIVE OIL

Type of oil and country of origin	Average 1955-59	1963[1]	1964[1]	January-June[1]	
				1964	1965
	Short tons	*Short tons*	*Short tons*	*Short tons*	*Short tons*
Edible:					
Algeria	706	---	---	---	---
Argentina	477	492	---	---	---
France	619	124	170	110	180
Greece	1,708	1,444	197	39	199
Italy	7,585	5,483	9,481	4,447	3,539
Morocco	613	---	---	---	---
Portugal	49	79	113	46	22
Spain	9,237	7,720	21,720	13,393	4,859
Tunisia	4,107	913	1,189	166	2,378
Turkey	1	114	473	55	1,063
Others	202	74	95	44	21
Total	25,304	16,443	33,438	18,300	12,263
Inedible:					
Algeria	18	164	---	---	---
Greece	10	87	---	---	70
Italy	7	24	---	---	---
Portugal	304	---	---	---	330
Spain	41	76	35	30	---
Tunisia	38	---	---	---	23
Others	18	---	44	---	---
Total	436	351	79	30	423
Grand total	25,740	16,794	33,517	18,330	12,686

[1] Preliminary.
U.S. Bureau of the Census.

Pakistan's Rape and Mustard Production Estimates Revised

Pakistan's 1964-65 rapeseed and mustardseed production is placed at 338,240 short tons, according to the final official estimate, compared with 291,200 tons previously estimated (*Foreign Agriculture*, May 10, 1965). This represents a 2-percent increase from the 332,640-ton crop of 1963-64. The increase took place despite some decline in seedings, which for 1964-65 were estimated at 1,666,000 acres against 1,673,000 acres in the previous year.

Yields were up slightly in 1964-65 because of relatively favorable growing conditions together with the use of more fertilizer and improved seed.

The decline in acreage resulted from heavy rains in some districts of East Pakistan at seeding time as well as increased cultivation of "aman" rice chiefly in the Rajshahi Division.

Tung Oil Shipments From Buenos Aires

Shipments of tung oil from Buenos Aires in the August-June period of 1964-65 totaled 21,733 short tons against 25,539 tons in the like period of 1963-64. The reduced volume, 15 percent below that of a year ago, reflects a sharp reduction of 44 percent in shipments from Paraguay, together with a slight decline of 4 percent in those from Argentina.

June shipments, largely from Argentina, increased slightly from those in May. Most of the total moved to the United States.

Aggregate shipments in the 1964-65 period to the United States at more than 13,000 tons accounted for about three-fifths of the total, compared with about 9,500 tons or only 37 percent of the total in the 1963-64 period.

TUNG OIL SHIPMENTS FROM BUENOS AIRES[1]

Origin and destination	May 1965[2]	June 1964	June 1965[2]	August-June 1963-64	August-June 1964-65[2]
	Short tons	*Short tons*	*Short tons*	*Short tons*	*Short tons*
Argentina:					
To United States	823	2,269	1,211	4,712	10,234
To other countries[3]	257	511	145	13,747	7,537
Total	1,080	2,780	1,356	18,459	17,771
Paraguay:					
To United States	---	95	165	4,819	2,787
To other countries[3]	225	9	---	2,261	1,175
Total	225	104	165	7,080	3,962
Total:					
To United States	823	2,364	1,376	9,531	13,021
To other countries[3]	482	520	145	16,008	8,712
Grand total	1,305	2,884	1,521	25,539	21,733

[1] Presumed to represent all of the tung oil exported from Argentina and Paraguay. [2] Preliminary. [3] Largely to West European countries.

Compiled from shipments data, *Boletín Marítimo*, Buenos Aires.

Tunisian Olive Oil Exports

Exports of edible olive oil from Tunisia in the November 1-July 10 period of 1964-65 totaled 51,042 metric tons compared with 26,061 tons in the same period of 1963-64.

Chile Restricts Beef and Veal Sales

The Government of Chile has issued a decree prohibiting the sale of beef and veal on Sundays, Mondays, and Tuesdays in all butcher shops, supermarkets, and other retail establishments. The same decree also prohibits the sale of foods containing beef and veal in all restaurants, hotels, and cafeterias on Mondays and Tuesdays.

Purpose of this decree, issued July 17, was to reduce the drain caused on foreign exchange by imports of beef and veal and/or cattle, which have been valued at about $35 million per year. It is expected that these restrictions will cut Chilean imports by about one-third.

West German Import Tender for Canned Cherries

West Germany recently announced an import tender for canned cherries without alcohol, with or without sugar, in containers with a net content of less than 4.5 kilograms for the United States and Canada.

Country of origin and country of purchase must be the same. Import licenses will be issued to be valid through December 31, 1965.

Record Australian Dried Vine Fruit Pack

Revised estimates by the Australian Dried Fruit Control Board place the 1965 dried vine fruit pack at an alltime high of 118,300 short tons—up 1,900 tons from the previous year's record.

Sultanas, which comprise 79 percent of the 1965 pack, totaled 93,000 tons—a 1,600-ton drop from the 1964 figure, though still well above the 1959-63 average of 70,000. The 1965 dried currant crop totaled 13,600 tons, as opposed to 12,600 in 1964. Raisins experienced the largest absolute gain, with an increase from 9,200 tons in 1964 to 11,700 in 1965.

The United Kingdom, traditionally Australia's biggest export market for dried fruit, imported 35,900 tons of sultanas in 1964, compared with 21,864 in 1963 and 40,578 in 1962.

Average realized prices (ex-wharf London) for 1964-crop sultanas till mid-July 1965 were US $17.34 per 100 pounds, while prices for the very small quantity of the 1965 crop thus far sold were $17.44. Prices for the 1965 currant pack are substantially higher than those for the previous year, averaging $17.08 to mid-July 1965, against $15.51 per 100 pounds by mid-July 1964.

Canned Fruit and Juice Prices in London

Selling prices in London (landed duty paid) of selected canned fruits and juices are given in the following table:

Type and quality	Size of can	Price per dozen units: July 1964	April 1965	July 1965	Origin
CANNED FRUIT					
Apricots:		*U.S. dol.*	*U.S. dol.*	*U.S. dol.*	
Whole, unpeeled, choice	303	2.52	2.33	2.38	U.S.
Halves:					
Choice	2½	4.22	4.16	4.13	U.S.
Do	2½	3.32	3.34	3.34	Australia
Do	2½	3.08	2.92	2.92	S. Africa
Do	No. 1 (15 oz.)	1.72	1.72	1.72	S. Africa
In syrup	15 oz.	1.51	1.54	1.58	Spain
Standard	2½	(1)	3.59	3.41	U.S.
Peaches, halves:					
Fancy	2½	3.26	3.31	3.31	S. Africa
Do	2½	3.54	3.41	3.41	Australia
Choice	2½	3.41	3.90	3.52	U.S.
Do	2½	3.08	3.04	3.04	S. Africa
Do	2½	3.32	3.34	3.34	Australia
Standard	2½	(1)	3.13	3.36	U.S.
Pears, halves	15 oz.	2.03	(1)	(1)	Italy
Fancy	2½	3.46	3.52	3.52	S. Africa
Do	2½	3.68	3.55	3.55	Australia
Choice	2½	(1)	4.30	4.72	U.S.
Do	2½	3.32	3.26	3.26	S. Africa
Do	2½	3.46	3.34	3.34	Australia
Fruit cocktail, choice	303	2.48	2.61	(1)	U.S.
Do	8 oz.	1.45	1.54	(1)	U.S.
Do	15 oz.	2.00	(1)	(1)	Spain
Grapefruit sections:					
Fancy	303	2.80	2.61	2.52	U.S.
No. 2	20 oz.	2.66	2.62	2.62	Israel
Quality not specified	20 oz.	2.48	2.52	2.45	British W. Indies
Pineapple:					
Slices:					
Fancy	2½	(1)	(1)	3.40	U.S.
Do	16 oz.	1.78	1.78	1.52	S. Africa
Choice	2½	(1)	(1)	3.73	U.S.
Do	2½	(1)	3.50	(1)	Formosa
Round choice	20 oz.	(1)	3.18	(1)	Formosa
CANNED JUICE					
Orange, unsweetened[2]	46 oz.	(1)	3.95	3.70	U.S.
Do	43 oz.	4.55	4.55	4.52	Israel
Do	19 oz.	2.03	2.00	1.96	Israel
Do	No. 2	(1)	1.92	1.58	U.S.
Grapefruit:[2]					
Unsweetened	46 oz.	6.20	2.95	(1)	U.S.
Do	19 oz.	1.89	1.94	1.90	Israel
Sweetened	No. 2	2.59	1,27	1.58	U.S.
Do	No. 2	(1)	1.92	1.92	British W. Indies

[1] Not quoted. [2] Single strength.

India's 1965 Cashew Crop Estimate Unchanged

The estimate of India's 1965 cashew crop is still set at a near-record 90,000 short tons of raw nuts. The 1964 crop estimate has been revised to a record 95,000 tons.

The final total of India's 1964 imports of African raw nuts, at 184,500 tons, was also an alltime high, although 8 percent below the earlier trade estimates. Imports for 1965 are forecast at a record 190,000 tons. Because of this, plus the higher shellout ratio from the 1965 imports and the continued strong demand, Indian exports of cashew kernels are expected to reach a record 2.45 million cases of 50 pounds net, this in spite of the smaller domestic crop and minimal beginning stocks of 1,500 tons.

INDIA'S SUPPLY AND DISTRIBUTION OF CASHEWS
[Raw nut basis]

Item	1963	1964	Forecast 1965
	Short tons	*Short tons*	*Short tons*
Supply:			
Beginning stocks, Jan. 1	11,500	14,000	1,500
Production	84,000	95,000	90,000
Imports	181,000	184,500	190,000
Total supply	276,500	293,500	281,500
Distribution:			
Exports[1]	251,000	278,500	262,000
Domestic disappearance	11,500	13,500	16,000
Ending stocks, Dec. 31	14,000	1,500	3,500
Total distribution	276,500	293,500	281,500

[1] Converted from kernel exports on the basis of a yield of 9.375 cases (50 lb. net each) per short ton of raw nuts in 1963 and 1965 and 8.375 cases per ton in 1964.

The exceptionally high prices of both raw and shelled nuts during 1964 have persisted into the 1965 season. In fact, raw Angochees were quoted at a record US$197.81 per short ton on July 1, 1965. Strong world demand for cashew kernels has in part been maintained through the pressure of heavy rupee holdings by the USSR as a result of recent trade agreements with India. In addition, sales to the United Kingdom and Australia have improved, reportedly owing to the activities of the Cashew Promotion Council.

INDIAN CASHEW PRICES

First day of month	1962	1963	1964	1965
	Dollars per short ton	*Dollars per short ton*	*Dollars per short ton*	*Dollars per short ton*
African raw nuts:[1]				
January	112.50	107.81	151.88	161.25
February	112.50	140.62	145.31	180.38
March	105.00	117.19	150.00	182.81
April	131.25	131.25	146.25	178.13
May	131.25	125.62	144.38	185.63
June	129.38	118.12	150.00	187.50
July	127.50	111.56	160.31	197.81
August	114.38	118.12	[2]180.19	---
September	105.00	131.25	[2]140.62	---
October	97.50	136.88	172.50	---
November	105.00	137.81	173.44	---
December	105.94	161.25	161.25	---
	U.S. cents per pound	*U.S. cents per pound*	*U.S. cents per pound*	*U.S. cents per pound*
Kernels:[3]				
January	43.0	43.0	54.5	58.0
February	44.0	42.0	52.5	61.0
March	43.0	44.0	56.0	59.0
April	45.0	44.5	57.0	58.0
May	46.5	45.0	57.0	57.5
June	46.0	44.5	59.0	59.0
July	46.0	43.5	65.0	63.0
August	44.0	46.5	70.0	---
September	43.5	48.5	69.0	---
October	43.0	53.0	68.0	---
November	44.0	54.0	67.0	---
December	44.0	57.0	60.0	---

[1] Angochees c.i.f. Cochin. [2] Old crop nuts. [3] 320 count in 25-pound tins c.&f. New York.

INDIA'S EXPORTS OF CASHEW KERNELS

Destination	1963	1964	Forecast 1965
	Cases[1]	*Cases*[1]	*Cases*[1]
United States	1,290,177	1,213,865	1,260,000
Soviet Bloc:			
USSR	394,064	441,467	500,000
East Germany	155,635	145,193	150,000
Other	73,820	22,458	3,000
Total Soviet Bloc	623,519	609,118	653,000
United Kingdom	107,360	157,560	165,000
Canada	74,800	74,080	85,000
Australia	76,080	85,600	87,000
Other countries	180,960	192,280	200,000
Grand total	2,352,880	2,332,520	2,450,000

[1] 50 pounds net.

The Netherlands Canned Fruit and Juice Prices

Selling prices in the Netherlands (landed, duty paid) of selected canned fruits and juices follow:

Type and quality	Size of can	Price per dozen units: June 1964	April 1965	July 1965	Origin
		U.S. dol.	*U.S. dol.*	*U.S. dol.*	
CANNED FRUIT					
Apricots, halves, choice	15 oz.	1.99	2.06	1.96	Spain
Peaches:					
Choice, halves	2½	4.44	4.01	[2]3.94	U.S.
Halves	2½	(1)	3.48	3.58	Greece
Do	15 oz.	(1)	(1)	3.03	Japan
Fruit cocktail, choice	8 oz.	1.99	1.92	1.92	U.S.
Do	2½	5.60	4.64	5.04	U.S.
Fruit salad	15 oz.	(1)	(1)	2.42	Spain
Pineapple:					
Fancy (8 slices)	2½	4.81	4.87	4.94	U.S.
Choice (8 slices)	2½	4.48	4.71	4.57	U.S.
CANNED JUICE					
Pineapple, fancy, unsweetened	2	2.15	2.15	2.15	U.S.
Orange:					
Unsweetened	2	2.65	2.65	2.65	U.S.
Do	2	2.22	1.99	1.92	Israel

[1] Not quoted. [2] Light syrup previously reported as heavy.

East African Sisal Production Drops Further

Sisal production in East Africa in the first 4 months of 1965 was 85,979 long tons, or 7 percent less than in the comparable 1964 period.

Tanzanian output, at 65,628 tons in January-April 1965, was 5 percent less than the 69,228 tons produced in January-April 1964. Kenya and Uganda, with 20,351 tons, produced 12 percent less than the 23,190 tons in January-April 1964. Unusually severe drought in the sisal-producing areas may further reduce the 1965 crop.

Sweden Exporting Less Cheese and Butter

Sweden exported 2 million pounds of cheese in the first quarter of 1965, about half of comparable 1964 exports. Smaller purchases by West Germany—229,000 pounds compared with approximately 2 million in the earlier year—accounted for most of this decline.

Imports of cheese in both years were 4 million pounds, of which approximately 60 percent came from Denmark. Other suppliers were Finland, the Netherlands, Norway, and Switzerland.

Sweden's butter exports in the first 3 months of 1965 declined 56 percent to 2 million pounds. The largest

shipment, 1 million pounds, was made to East Germany. West Germany purchased only 69,000 pounds compared with 2 million last year. There were no sales to Switzerland, which a year ago took more than 1 million pounds.

Sweden's imports of butter rose from 6,000 pounds to 930,000. Of this quantity, Norway supplied 515,000 pounds, and Denmark, 414,000.

French Cigarette Output Up

Cigarette output by the French Tobacco Monopoly during January-March 1965 totaled 13.55 billion pieces—up almost 1 percent from the 13.44 billion pieces produced during the same period last year.

Monthly average production for period was 4.52 billion pieces, compared with 4.48 billion in January-March 1964, 4.11 billion for all 1964, and 4.27 billion for all 1963.

Malayan Tobacco Imports Down

Imports of unmanufactured tobacco into mainland Malaysia (the former States of Malaya and Singapore) during 1964 totaled 14.9 million pounds, compared with 18.1 million in 1963, 16.3 million in 1962, and 17.4 million in 1961.

Combined imports from Rhodesia, Zambia, and Malawi (formerly the Federation of Rhodesia and Nyasaland) last year totaled 6.2 million pounds—down slightly from the 1963 level of 6.5 million but representing 41.5 percent of total imports, in contrast with 36.2 percent for the previous year. Imports from the United States, at 5.5 million pounds, were 1.0 million below the 6.5 million imported during 1963. Takings from India also dropped to 2.0 million pounds from 4.3 million for the previous year. However, takings from both Canada and Pakistan increased from the previous year.

MALAYAN IMPORTS OF UNMANUFACTURED TOBACCO[1]

Origin	1962	1963	1964
	1,000 pounds	*1,000 pounds*	*1,000 pounds*
Rhodesia, Zambia & Malawi[2]	6,146	6,543	6,160
United States	6,426	6,518	5,522
India	3,547	4,286	2,040
Canada	52	153	428
Thailand	142	446	353
Pakistan	---	80	319
Others	22	59	32
Total	16,335	18,085	14,854

[1] Includes Singapore and the States of Malaya (formerly the Federation of Malaya). [2] Formerly the Federation of Rhodesia and Nyasaland.

Malaya (Singapore and the States of Malaya), *External Trade Statistics—excluding trade between Singapore and the States of Malaya—December 1964.*

Jamaica's Cigarette Output Sets New Record

Cigarette output in Jamaica during 1964 set a new record of 1,002 million pieces, compared with 776 million in 1963 and 676 million in 1962. The sharp rise in cigarette output last year was attributed mainly to the full year's operation of a second new cigarette factory. Correspondingly, cigarette imports, which had risen to 782,000 pounds in 1962 and then dropped to 575,000 pounds, fell very sharply in 1964 to only 66,000 pounds.

Cigarette imports from the United Kingdom in 1964 amounted to only 18,000 pounds, compared with 519,000 in 1963 and 707,000 in 1962. Similarly, imports from the United States in 1962 totaled 75,000 pounds, compared with 55,000 pounds in 1963 and 48,000 in 1964.

U.S. Cotton Exports in June Above Year Ago

U.S. cotton exports totaled 398,000 bales in June, slightly above the 388,000 exported in June 1964. May exports, at 251,000 bales, were 34 percent below May exports a year ago.

Exports of all types of cotton in the first 11 months (August-June) of the 1964-65 season amounted to 3,794,000 bales, 24 percent below the 4,966,000 bales exported in the same period of 1963-64.

U.S. COTTON EXPORTS BY DESTINATION

[Running bales]

Destination	Year beginning August 1				
	Average 1955-59	1962	1963	August-June 1963	August-June 1964
	1,000 bales	*1,000 bales*	*1,000 bales*	*1,000 bales*	*1,000 bales*
Austria	33	13	23	18	9
Belgium & Luxembourg	160	72	176	145	76
Bulgaria	0	0	19	19	0
Denmark	17	13	16	14	5
Finland	22	13	10	9	11
France	360	180	380	351	178
Germany, West	475	101	401	378	212
Hungary	0	0	18	15	0
Italy	416	192	442	399	255
Netherlands	124	71	127	115	64
Norway	10	10	14	13	13
Poland & Danzig	85	62	132	132	67
Portugal	28	7	35	33	21
Spain	171	(1)	14	14	19
Sweden	75	56	88	83	57
Switzerland	64	37	95	89	66
United Kingdom	525	139	286	245	141
Yugoslavia	108	113	78	49	108
Other Europe	17	3	20	13	10
Total Europe	2,690	1,082	2,374	2,134	1,312
Australia	54	41	91	80	58
Canada	217	271	448	396	371
Chile	35	24	2	2	1
Colombia	33	1	14	11	1
Cuba	27	0	0	0	0
Ethiopia	4	15	9	9	3
Hong Kong	134	79	187	177	140
India	184	198	314	159	209
Indonesia	30	51	21	21	47
Iraq	0	0	20	20	0
Israel	16	7	26	19	21
Japan	1,154	895	1,301	1,196	913
Korea, Rep. of	205	236	313	256	234
Morocco	10	8	15	13	12
Pakistan	14	8	8	8	9
Philippines, Rep. of	64	108	140	113	68
South Africa	26	19	37	32	42
Taiwan (Formosa)	153	223	189	180	188
Thailand	4	22	39	36	46
Uruguay	15	0	(1)	(1)	0
Venezuela	2	5	12	12	14
Vietnam[2]	2	36	75	71	46
Other countries	27	22	27	21	59
Total	5,100	3,351	5,662	4,966	3,794

[1] Less than 500 bales. [2] Indochina prior to 1958. Includes Laos and Cambodia.

India Ups Floor and Ceiling Prices for Cotton

The Government of India recently announced an increase in the floor and ceiling prices for the 1965-66 cotton crop. In addition, the basic variety of cotton has been changed from Moglai Jarilla (Fine) 25/32 inch to Vidarbha M.P. (Virnar Fine) 27/32 inch. Production of the latter variety has eclipsed that of the former in recent years.

The floor price for the new basic Vidarbha M.P. was

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raised to 877 rupees per candy from 762 rupees. This increase brings the floor price to about 23.49 U.S. cents per pound, compared with the previous price of 20.41.

The ceiling price for Vidarbha M.P. was raised to 1,109 rupees per candy (29.71 U.S. cents per lb.) from 877 rupees (23.49 cents).

The government has also fixed floor prices for Sea Island (Andrews) and ISC-67 cottons at 1,700 and 1,500 rupees per candy, respectively (equivalent to about 45.54 and 40.18 U.S. cents per lb.).

The obligation of the mills to purchase Cambodia A and B, ISC-67, and Sea Island varieties to the extent of 10 percent of their consumption of Indian cotton will continue.

At this writing, no official cotton export policy has been announced for the 1965-66 season. Such an announcement may be made after the new crop estimates become available.

Canadian Rapeseed Exports Up Sharply

Exports of rapeseed from Canada during the August-March period of 1964-65 amounted to 145,851 short tons compared with 93,378 tons in the like period of 1963-64.

Major destinations and the quantities taken in tons during the indicated period for 1964-65 with 1963-64 in parentheses were Japan 49,812 (81,607), Italy 23,610 (2,537), Pakistan 22,462 (.....), the Netherlands 16,030 (1,509), the United Kingdom 13,869 (2,296), and other destinations 20,068 (5,429).

This increase in exports reflects a sharp expansion in production. The 1964 crop estimate, as revised, is 330,700 tons, compared with 209,000 tons in 1963 and 146,500 tons in 1962. Consequently, total exports in the 1964-65 marketing year have no doubt substantially exceeded 200,000 tons, against only 130,300 tons in 1963-64.

Prospects for Canadian rapeseed exports in 1965-66 are favorable, since a further substantial increase in production is probable this year. Assuming average yields, the crop could be up by more than two-thirds from that of 1964.

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12 U.S. Olive Oil Imports Decline
12 Pakistan's Rape and Mustard Production Estimates Revised
12 Tung Oil Shipments From Buenos Aires
13 Tunisian Olive Oil Exports
16 Canadian Rapeseed Exports Up Sharply

Grains, Feeds, Pulses, and Seeds

12 Canada and Argentina Sell More Wheat to the USSR

Fruits, Vegetables, and Nuts

13 West German Import Tender for Canned Cherries
13 Record Australian Dried Vine Fruit Pack
13 Canned Fruit and Juice Prices in London
13 India's 1965 Cashew Crop Estimate Unchanged
14 The Netherlands Canned Fruit and Juice Prices

Livestock and Meat Products

13 Chile Restricts Beef and Veal Sales

Sugar, Fibers, and Tropical Products

14 East African Sisal Production Drops Further

Tobacco

15 French Cigarette Output Up
15 Malayan Tobacco Exports Down
15 Jamaica's Cigarette Output Sets New Record

CORRECTION: *Foreign Agriculture*, August 9 issue, page 3, article entitled, Spain—A Top Dollar Market for U.S. Farm Products, paragraph 2, line 8: for "soybean products," read "soybeans."

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